CIVIL ACCOUNT CODE.

VOLUME 1.

PART I.

INSTRUCTIONS TO OFFICERS GENERALLY IN DEALING WITH TREASURIES.

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Receipt of Money.

1. All transactions, to which any officer of Government in his official capacity is a party, must, without any reservation, be brought to account, and all the money received be lodged in full in the Government treasury, to be credited to the appropriate account and made part of the general treasury balance. The appropriation of departmental receipts to departmental expenditure, except when specially authorised, is strictly prohibited.

This rule is relaxed in the Civil Department—

(*a*) in the case of the Postal Department to afford facilities for the money order and savings bank business;

(*b*) in regard to moneys received on account of the service of summonses, diet-money of witnesses, etc., in Civil, Revenue and Criminal cases;

(*c*) in the case of Government servants appointed Notaries Public under Act 26 of 1881, who are allowed to defray all legal expenses, incurred by them in the discharge of their duties as such Notaries Public, out of the fees received by them, the balance only being credited to Government; they will note in the credit slip the full amount of the fees received and, *per contra*, the expenses disbursed therefrom.

2. No department may require that funds pertaining to it be kept apart from the general treasury balance, or be received for safe custody and kept out of account, or be received at all except under ordinary rules.

1. If, for special reasons, Government or Collectors of Districts when so empowered direct the cash chest of another department to be lodged in the treasury for safe custody, the fact should be reported for the information of the Accountant General, and a register kept in the treasury, in which the receipt and return of the chests should be duly acknowledged; the key or keys of the chest must not be kept by the treasury. In case also of money arriving from a distance too late in the day for examination, it may be kept in sealed bags under double locks, but only until the next working day, the fact being recorded in the register mentioned above.

NOTE.—Local Governments and Administrations may delegate to the Collectors of Districts the power to authorise the deposit of cash chests of other Government Departments in the treasury for safe custody subject to the condition that the Accountant General will bring to notice of the Local Governments or Administrations any case in which the permission appears to have been improperly granted.

2. Bullion, jewellery and other valuables coming into the hands of a Government officer in his official capacity may be received for safe custody at the discretion of the District Officer.

3. Any person paying money into a Government treasury will present with it a memorandum (chalán), which will show distinctly the nature of the payment and the person or officer on whose account it is made, and will thus contain all the information necessary for the preparation of the receipt to be given in exchange. Receipts for sums less than ₹500 do not require the signature of the Treasury Officer, but only of the Accountant and the Treasurer, except receipts for money paid for service stamps, which should always be signed by the Treasury Officer.

1. Printed forms should be supplied by the treasury, which may, with advantage, be bi-lingual. They should be presented in duplicate; one copy will be returned to the tenderer duly signed as a receipt, and the other retained in the treasury for record.

2. Duplicate chaláns are not required when remittances are made to a treasury for obtaining Remittance Transfer Receipts and Sub-Treasury Cash Orders; or when such remittances are accompanied by Remittance and Pass Books in which the Treasury Officer is required to acknowledge receipt of the remittance.

Check of Receipts.

4. It is ordinarily the duty of the Revenue Department concerned, and not of the Account Department, to see that the dues of Government are regularly paid into the treasury. Detailed rules are given in Chapter 2.

Payment of Money at a Treasury.

5. (*a*) A Treasury Officer has no general authority to deal with demands presented at the treasury, his authority to make payments being strictly limited to the rules in the Account Code. If a demand of any kind is presented at a treasury which is not provided for by the rules in the Code, or is not covered by a special order received from the Account Office, the duty of the Treasury Officer is to decline payment for want of authority. A Treasury Officer has no authority to act under an order of Government sanctioning a payment, unless it is an express order to *him* to make the payment; and even such special orders should, in the absence of urgency, be sent through the Accountant General.

(*b*) No claim against Government not preferred within six months of its becoming due can be paid without the sanction of the Accountant General; but this rule does not apply to payments made by Forest disbursing officers, payments made to tribes on the North-West Frontier, and disbursements from the distant treasuries in the North-West Frontier

Article 5 (*a*), page 2—

Introduce the following note under this article :—

NOTE.—This rule does not authorise the Treasury Officer to refuse payment of bills which do not comply with the provisions of certain articles of this Code, requiring that sanctions to certain specified charges should be quoted on the bills [*e.g.*, 9 (*h*), rule (1) under Article 58, last sentence of Article 61, and Article 86], when the omission to comply with these provisions is due to the fact that the necessary sanction has not been obtained. The responsibility for incurring such unsanctioned charges rests with the drawing officer, and the Treasury Officer is not empowered to refuse the payment of such bills on the ground that the charges have not been sanctioned.

7th List—15-1-15.

Article 7, clause (*f*), page 3—

Substitute the following:—

(*f*) Receipts granted by a Railway or an Inland Steamer Company for freight and fares.

1st List—10-3-13.

Page 3, Article 7.

Substitute the following for clause (1) (f) of this Article as amended by the first List of Corrections:—

"Receipts given by a Railway or an Inland Steamer Company for payments made to it on account of freight and fares and for incidental charges such as loading, unloading, delivery, cranage, haulage, wharfage, demurrage, etc."

[*16th List—2-1-17.*]

Page 3, Article 5 (c)—

Insert the following as note 3 and renumber existing note 3 as 4.

"NOTE 3.—The Comptroller and Auditor General, the Controller of Currency and the heads of all accounts offices have been authorised under note 2 above to exercise this power in respect of officers, whether gazetted or not, appointed by them."

5th list, 1-4-14.

Article 7 (1) (*g*), page 3—

Add the following at the end of this clause, and substitute a comma for the fullstop:—

"in respect of service as such non-commissioned officers or soldiers when they are not serving the Government in any other capacity."

7th List—15-1-15.

Page 3, Article 5 (c), Note 3—

Add the following to note 3 as introduced by the 5th list of corrections dated 1st April 1914.—

"The Mint and Assay Masters have been similarly empowered to investigate claims for arrears of wages preferred by non-gazetted establishments employed under them.

[*10th list—1-10-15.*]

Province, nor does it apply to payment of claims on account of pensions, which are governed by special rules in the Civil Service Regulations.

NOTE.—Claims of Government against Railways for overcharges and claims of Railways against Government Departments for undercharges will be recognised and admitted if the claims are preferred within six months :—

(*a*) in the case of cash payments—from the date of payment.
(*b*) in the case of warrants and credit notes—from the date of presentation of bill by the Railway Administration.

The Railways named in Annexure A to this chapter have agreed to the adoption of the above rules.

(*c*) Claims of officers, whether gazetted or not, to arrears of pay or allowances or to increments which have been allowed to remain in abeyance for a period exceeding one year, cannot be investigated by an Accountant General except under the special orders of the Local Government.

NOTE 1.—This power is also exercised by the several Departments of the Government of India in respect of any Imperial Department directly administered by them.

NOTE 2.—Local Governments and the Departments of the Government of India may delegate this power at their discretion to the authority which appoints the officer by whom the claim is made.

NOTE 3.—Delays in payment are opposed to all rules and are highly inconvenient and objectionable, and when not satisfactorily explained should be brought to the notice of the head of the department concerned.

(*d*) No payments may be made on account of increases to pay until the additional expenditure thereby caused has been provided for in the estimates and duly sanctioned.

NOTE.—Periodical increments of pay are not provided for in the estimates, and are not increases to pay within the meaning of the above clause.

6. Any person having a claim against Government will present his voucher duly receipted and, if necessary, bearing a stamp.

7. (1) Receipts for all sums exceeding ₹20 must be stamped; but the following are exempt:—

(*a*) Receipts given by, or on behalf of, Government.
(*b*) Receipts on cheques sufficiently stamped or exempt from stamp duty.
(*c*) Receipts for interest on Government securities.
(*d*) Receipts for withdrawals from Government Savings Banks.
(*e*) Receipts on postal Money Orders.
~~(*f*) Receipts granted by a Railway Company for freight and fares;~~
(*g*) Receipts for pay and allowances of non-commissioned officers and soldiers of His Majesty's or the Indian Army when serving in such capacity, or for their pensions;
(*h*) Receipts for any payment of money without consideration, such as receipts for Grant-in-Aid bills, and for fees paid to Barristers-at-Law.
(*i*) Receipt given by an opium cultivator or his representative or by a *lambardar* or *khattadar* for money paid to him by Government as an advance for the cultivation of opium.
(*j*) Receipt for advances made by Government under the Agriculturists' Loans Act, 1884 (Act XII of 1884).
(*k*) Receipts for payments made by or on behalf of Government in Native States.

(2) All cheques, irrespective of their amount, are liable to stamp duty; but cheques drawn by Government officers on Government account, Remittance Transfer Receipts and Supply Bills, are exempt from stamp duty.

(3) (See also the list of exemptions in Schedule 1 of the Stamp Act.)

8. The following documents do not come under any of the exemptions mentioned above, but are chargeable with stamp duty under the general rules:—

(*a*) Cheques or receipts drawn by a Railway Company, including a Company to which a State Railway has been leased, or by a Municipality.

NOTE.—This rule applies also to receipts drawn for claims, the adjustment of which may be made through account current.

(*b*) Cheques or receipts signed by a Government officer as Chairman of a Municipality.

(*c*) Cheques or receipts drawn on account of Cantonment and other Local Funds.

(*d*) Receipts for advances taken by Government officers.

(*e*) Receipts for amounts of emigrants' money orders.

(*f*) Receipts for refund or repayment of deposits.

(*g*) Receipts on Acquittance Rolls of Establishments.

(*h*) Receipts drawn by the Accountant General or the Treasurer of Charitable Endowments on account of interest on Municipal or Port Trust debentures kept in his custody as ordinary Trust Funds or Charitable Endowments.

9. The following general instructions regarding the preparation and form of vouchers should also be observed:—

(*a*) Printed forms of vouchers in English should be adopted as much as possible; but when, from any circumstance, a vernacular voucher is unavoidably necessary, a bi-lingual form should be used. A specimen which will serve as a general guide is given as Form 31 for deposit vouchers, and may be obtained from the local Accountant General.

(*b*) When the use of a purely vernacular voucher is unavoidable, a brief abstract should be endorsed in English under the signature of the preferring officer stating the amount, the name of the payee, and the nature of the payment.

(*c*) All vouchers must be filled in and signed in ink. The amount of each voucher should, as far as whole rupees are concerned, be written in words as well as in figures. The amount of annas and pies may always, however, be written in figures after the words stating the number of rupees, but in case of there being no annas or pies the word "only" should be inserted after the number of whole rupees and care should be taken to have no space for interpolation as in the following examples—"Rupees twenty-six only," "Rupees twenty-five, 4/11."

Page 4, Article 9 (*b*)—

Insert the words " account or " before " voucher " in line one of this Article.

[*10th list—1-10-15.*]

Page 4—Article 8.

Insert "[other than the receipts mentioned in Article 7 (*i*) (*f*)]" *after the word* 'receipts' *in line 1 of clause* (*a*) *of this Article.*

15th list—1-11-16.

Article 9, pages 4 and 5—

Insert the following as clause (j) under this Article :—

(j) Dates of payment should when possible be noted by the payees in their acknowledgments in sub-vouchers, acquittance rolls, etc. If for any reason, such as illiteracy or the presentation of receipts in anticipation of payment under Article 6, it is not possible for the dates of payment to be noted by the payees, the dates of actual payment should be noted by disbursing officers on the documents under their initials, either separately for each payment or by groups as may be found convenient.

[*9th list—1-7-15.*]

Page 5, Article 9.—

Introduce the following as a new clause (k) under this Article :—

(*k*) In cases in which the endorsement on a bill is unauthorised, incomplete, or otherwise irregular, the Treasury officer should refuse payment of the bill and return it to the person who presents it with a memorandum explaining why payment is refused.

[*19th List—1-10-17.*]

Page 5, Article 9 (*d*)—

Insert the following words between "in" *and* "a" *in line 1* "the total of."

Insert the following after "receipts;" *in line 2* "as many times as such corrections and alterations are made."

2nd List—1-6-13.

(*d*) All corrections and alterations in a voucher should be attested by the initials of the person signing the receipt; any in the orders of payment must be attested in the same way by the Treasury Officer. No document bearing an erasure can be accepted, and payment of such vouchers should be refused by the Treasury Officer and a fresh voucher called for.

(*e*) Charges against two major heads should not be included in one voucher, but the Treasury Officer will not take exception to a voucher on this ground unless the items require different action from him, such as entry in different registers. This order does not apply to the allowances of an officer, or of an establishment, as in such cases the whole of his allowances, even if belonging to two or more major heads of account, should be drawn on a single bill if they are chargeable wholly to Imperial or Provincial Revenues.

(*f*) Unless the Local Government has expressly authorised it in the case of any specified office, no payment may be made on a voucher or order signed by a clerk instead of by the head of an office, although in the absence of the latter the clerk be in the habit of signing letters *for* him. Nor may any moneys be paid on a voucher or order signed with a stamp. When the signature on a voucher is given by a mark or seal or thumb impression, it should be attested by some known person. Vernacular signatures must always be transliterated.

(*g*) Bills requiring *previous* countersignature should be returned unpaid if presented without such countersignature.

(*h*) When bills are presented on account of charges incurred under any special orders, the orders sanctioning the charge should be quoted. Copies of sanctions accompanying a bill must be duly certified by a responsible officer, not by a clerk.

(*i*) The authority under which deductions are made in a bill should be quoted.

10. A Treasury Officer must not honour a claim which on the face of it is disputable; he will request the claimant to refer the question to the Accountant General.

Nor may he undertake correspondence for an officer making a claim to any special allowance, but will request him to address the Accountant General either direct or through his own official superior.

11. It must be remembered that the Treasury Officer has to satisfy not only himself, but also the Account Department, that the claim is valid; and has further to prove that the payee has actually received the sum charged (see Article 390). Careful attention must therefore be given to the rules regarding the completion of vouchers referred to in Article 9. The Treasury Officer must have sufficient information as to

the nature of every payment he is making, and is without excuse if he accepts a voucher which does not formally record that information.

1. The Treasury Officer, before paying any bill of a Covenanted Civilian, must see that the deductions prescribed by Article 555 (*a*) of the Civil Service Regulations have been made.

2. Treasury Officers, when cashing bills for Survey Officers and others at a distance from the treasury, should furnish a note explaining the amount of cash and transfer receipts (if any) issued, and any deductions or alterations that may be made in the bill presented. The note should be in bi-lingual form, as it is important that the guard or messenger who receives the money should ascertain that the amount stated agrees with the actual cash or drafts delivered to him; and, when that person is unable to read, the Treasury Officer should himself explain to him the amount entered on the note.

The following form is recommended :—

Bill presented for salary, etc.		000
" " " contingencies		000
" " " sundries*		000
	TOTAL .	000
Paid in cash	000	
" " drafts	000	
		000
	* Deductions (if any) .	

*[Explanation.]

Signature of Messenger———————————

Treasury Officer.

3. Any deductions made by the Treasury Officer reducing the net amount claimed on a bill should be explained in a memorandum signed by the Treasury Officer to be given to the presenter.

Issue of Duplicates or Copies of Documents.

12. No Government officer may issue duplicates or copies of receipts granted for money received, or duplicates or copies of bills or other documents for the payment of money which has already been paid, on the allegation that the originals have been lost. If any necessity arises for such a document, a certificate may be given that on a specified day, a certain sum, on a certain account, was received from or paid to a certain person. This prohibition extends only to the issue of duplicates on the allegation that the originals have been lost, and does not apply to cases in which, by existing rules, duplicates are prepared and tendered with the originals. In the case of a bill passed for payment at a treasury but lost before being cashed, or in the case of a deposit repayment voucher lost before payment, the officer who drew the original bill or voucher should ascertain from the treasury that payment has not been made on the original before he issues a duplicate, which should bear distinctly on its face the word "duplicate" written in red ink.

Responsibility for Overcharges.

13. The responsibility of drawers and payers of bills is thus stated in the Resolution introducing the present system of account (F. D.-No. 2189, dated 20th April 1865, paragraph 34)—

The privilege of drawing pay abstracts or bills for salary, allowances, or contingent expenses will be restricted to responsible officers, and the drawer of the bill will be held answerable for any overcharge. The responsibility of the countersigning officer

will be that which attaches to all controlling officers, and which brings them under liability to make good any loss arising from their culpable negligence. The Treasury Officer who makes payments without pre-audit will be responsible for checking any palpable errors, and (in the case of change of office, or of rate of salary of gazetted officers) for passing the new rate with reference to the orders directing the change. In short, the responsibility for an overcharge will rest primarily with the drawer of the bill, and (failing recovery from him) the overcharge will be recovered from the Treasury Officer or the countersigning officer, only in the event of culpable negligence in either of them.

NOTE.—The Treasury Officer is required under the above ruling to examine the accuracy of the arithmetical computations in a bill.

Check of Charges.

14. Every charge comes up for audit or disposal by the Accountant General, who, if the charge is irregular or is in excess, proceeds to remove the irregularity or recover the excess through the Treasury Officer, usually, however, issuing a warning slip to the officer concerned; and, if anything more is due (unless the amount be insignificant), informs the officer accordingly, leaving him to prefer the additional claim or not as he thinks proper.

Audit Objections and Recoveries.

15. Objections and orders which arise out of the examination by the Accountant General of the treasury accounts are communicated to the Treasury Officer by letters, audit memoranda, or periodical objection statements. To these the earliest attention should be given, and under standing orders, the Treasury Officer should return the objection statement or audit memorandum within a fortnight, or send a letter explaining the cause of delay.

NOTE.—The fact that some of the objections are still under reference is no reason for keeping back the statement. Such cases can be extracted for subsequent explanation.

16. When the Accountant General disallows a payment of an allowance as unauthorised, the Treasury Officer is bound not only to recover the amount disallowed without listening to any objection or protest, but to refuse to pay it in future till the Accountant General authorises the payment to be resumed; that no warning slip has been received by the officer retrenched, or that, being received, it has been answered, are facts with which the Treasury Officer has no concern. And the Accountant General must remember that he is responsible for seeing that Treasury Officers carry out his instructions: the Financial Department has ruled that his "objection must prevail absolutely and immediately over every authority under that of the Local Government; and, if the Local Government overrules an objection by the Accountant General, even temporarily, reference should be made to the Government of India."

1. If an officer, from whom a recovery is ordered, has meantime been transferred to another district, the Treasury Officer should, without delay, pass on the order of recovery to the other treasury.

2. A Treasury Officer must not, when a retrenchment is ordered, enter into any correspondence with either the Accountant General or the Officer placed under retrenchment; it is his duty simply and promptly to carry out the orders he has received, and to leave the person aggrieved to his remedy in ordinary course.

3. Recoveries are not ordinarily made at a rate exceeding one-third of salary, unless the officer affected has, in receiving or taking the excess, acted contrary to orders or without due justification.

4. A register should be maintained at the treasury for recording all retrenchments ordered by the Account Office. It should contain columns specifying the name and office of the person from whom the recovery is to be effected, the nature and amount of the over-payment, and the method by which the over-payment has been adjusted.

Cheques drawn on Treasuries.

17. Cheque forms intended for the use of officers who are authorised to draw on treasuries by cheques, should be bound in books with counterfoils. Each book should bear a number which should be repeated upon each cheque contained in it, together with a consecutive number of the cheque form, and the drawing officer should notify to the treasury upon which he draws, the number of the cheque-book which he from time to time brings into use and the number of cheques it contains. Outside the book there should be an order to keep it under lock and key in the personal custody of the drawing officer, who, when relieved, should take a receipt for the correct number of cheques made over to the relieving officer. For cheque forms printed and issued under the supervision and orders of the Accounts Department the use of a special kind of paper protected by a water-mark has been prescribed, and this kind of paper only should be used both in the case of cheques drawn on treasuries, as well as those drawn on the Presidency Banks and their Branches.

Cheques on Presidency Banks and their Branches.

18. Cheques drawn on Government account on the Presidency Banks of Bengal, Madras and Bombay, or on any of their Branches conducting Government business, should be addressed to the Bank itself and not to any officer thereof. For instance, in the case of Presidency Banks, the address should be "Bank of Bengal, Calcutta," "Bank of Madras, Madras," etc., and in the case of Branch Banks, the address should be "Bank of Bengal, Patna," "Bank of Madras, Bellary," and so on.

Transfer of Office.

19. When an officer, whether gazetted or non-gazetted, who usually draws or countersigns cheques or bills payable at a treasury or sub-treasury, makes over charge of his office to another, he should send a *facsimile* of the relieving officer's signature to the Treasury Officer or Sub-treasury Officer, in order that the latter may satisfy himself as to the validity of the bills presented by him.

Defalcations.

20. Any defalcation or loss of public money, stamps, opium or other property of Government deposited in a Government treasury or sub-treasury must be at once reported to the Accountant General even when such loss has been made good by the person responsible for it; and, when the matter has been fuly inquired into, a further and complete report should be submitted of the nature and extent of the loss, showing the errors or neglect of rules, by which such loss was rendered possible, and the prospects of effecting a recovery. A similar course should be followed in cases of defalcations and fraudulent loss of stores in departments which maintain store accounts such as Police, Jail Manufactures, Print-

ing and Stationery, etc. The submission of such report does not debar the local authorities from taking any further action which may be deemed necessary. Defalcations, or losses of departmental revenue or receipts which have not been paid into a Government treasury or sub-treasury, petty defalcations or misappropriations committed by village officers, or losses due to accidents or thefts in village officers' houses, or while money is in transit to the treasury, need not be reported to the Accountant General; but his opinion or advice may be obtained, if it is likely to be of use in preventing their occurrence in future.

Erasures.

21. Erasures and over-writings in any account, register, schedule, or cash book are absolutely forbidden; if any correction be necessary, the incorrect entry should be cancelled neatly in red ink, and the correct entry interlined: the head of the office should set his initials to each of such corrections in authentication. Special care should be taken by the Treasury Officer as regards all vouchers and accounts showing signs of alteration; and if such documents be frequently received from any office, the attention of the head of the office should be formally drawn to the irregularity. [*See* Article 9 (*d*).]

ANNEXURE A.

[Referred to in Article 5, Note to clause (*b*).]

1. Assam-Bengal Railway.
2. Madras and Southern Mahratta Railway.
3. East Indian Railway.
4. Morvi Railway.
5. Burma Railways.
6. Bombay, Baroda and Central India Railway.
7. Jodhpur-Bikaner Railway.
8. Udaipur-Chitore Railway.
9. Dholpur-Bari Railway.
10. Rohilkund and Kumaon Railway.
11. South Indian Railway.
12. Howrah-Amta Light Railway.
13. Cutch State Railway.
14. Jorhāt State Railway.
15. Dibru-Sadiya Railway.
16. Tezpur-Balipara Railway.
17. Bengal Provincial Railway.
18. Bengal and North-Western Railway.
19. Deoghur Railway.
20. Darjeeling Himalayan Railway.
21. Barsi Light Railway.
22. Bengal Dooars Railway.
23. Bhavnagar-Gondal-Junagad-Porbandar Railway.
24. North Western Railway.
25. Oudh and Rohilkhand Railway.
26. Eastern Bengal State Railway.
27. Bengal Nagpur Railway.
28. Great Indian Peninsula Railway.
29. Nizam's Guaranteed State Railway.
30. Baraset-Basirhat Light Railway.
31. Bhuktiarpur-Behar Light Railway.
32. Shahdara (Delhi)-Saharanpur Light Railway.
33. Howrah-Sheakhala Light Railway.